



IOOF

WEALTHBUILDER

Investment Bond

You can have the tax effectiveness you need, with the flexibility you want

Today, financial advisers are increasingly turning to investment bonds for their clients' wealth accumulation needs. Their increasing popularity is due to the fact that their unique tax structure provides investors with the tax effectiveness they need together with the flexibility and accessibility they want. This means they can be used for a wide range of investment strategies including tax management, wealth accumulation, early retirement and estate planning.

What is an investment bond?

Simply put, an investment bond is a 'tax paid' investment.

This means that the tax on investment earnings are paid by the bond issuer at the current company tax rate of 30 per cent and after ten years from the start date, the investment is free of personal income tax in the hands of the investor.¹ Another great benefit is that all returns from the investment while invested, and upon withdrawal after the ten year tax period, do not need to be included in personal income tax returns.

Investors don't have to worry about locking the investment away for ten years either. The unique tax structure of the investment bond allows investors to access their investment at any stage they need or want access to it.²

Combine these great features of an investment bond with access to leading fund managers and the IOOF WealthBuilder is suitable for a wide range of investment needs.

Why choose IOOF WealthBuilder?

IOOF WealthBuilder is tax-effective

- It's tax paid while invested, so there is no personal assessable income.
- Withdrawals made after the ten year tax period are free of personal income tax.
- If it's withdrawn within the ten year tax period, investors get a rebate for the tax already paid within the investment bond.
- Franked dividends reduce the amount of tax paid within the investment bond.
- Benefit from no personal capital gains tax upon withdrawal, or when switching between investment options.

IOOF WealthBuilder is accessible and flexible

- Accessible at any time – no need to meet a condition of release, unlike superannuation.
- No work tests or caps on contributions. Note additional investments subject to the 125 per cent rule.
- No need to include details of the investment bond in tax returns if no withdrawals are made, or past the ten year tax period.

IOOF WealthBuilder enables you to save for a specific event

- Tax-effective investing.
- No limitations imposed by tax rates on earnings on investments held by children.

IOOF WealthBuilder gives you options for retirement

- Access to a tax-effective structure outside of super, especially when an investor has reached their super contribution or contribution age limits.
- One-off lump sum or regular savings plan.
- Ability to withdraw funds on a monthly basis to receive a regular tax-effective income stream.

IOOF WealthBuilder gives you comfort in estate planning

- Investors can nominate beneficiaries, and the proceeds can be paid quickly and directly to them free of personal income tax on the death of the life insured.
- Loved ones are looked after and proceeds not held up in estate issues³.

Range of investment options

Investment fund	Risk/return profile
Diversified	
IOOF WealthBuilder Conservative – IOOF MultiMix	Low to medium
IOOF WealthBuilder Moderate – IOOF MultiMix	Medium
IOOF WealthBuilder Balanced Growth – IOOF MultiMix	Medium to high
IOOF WealthBuilder Growth – IOOF MultiMix	High
Cash and income	
IOOF WealthBuilder Cash Management – IOOF	Low
IOOF WealthBuilder Income – Henderson	Low
Property	
IOOF WealthBuilder International Property Index – Vanguard	High
Australian Shares	
IOOF WealthBuilder Australian Shares Emerging Leaders – Ausbil	High
IOOF WealthBuilder Australian Shares Geared – Colonial First State	High
IOOF WealthBuilder Australian Shares Core – Fidelity	High
IOOF WealthBuilder Australian Shares Long Short – Perpetual	High
IOOF WealthBuilder Australian Shares Index – Vanguard	High
International Shares	
IOOF WealthBuilder International Shares – Magellan	Medium to high
IOOF WealthBuilder International Shares – Platinum	Medium to high
IOOF WealthBuilder International Shares Hedged – Walter Scott	Medium to high
IOOF WealthBuilder International Shares Index – Vanguard	High

And don't forget that within IOOF WealthBuilder, investors can switch between investment options without triggering capital gains tax in their own name.

This means the investor **maintains control** over the investments at no penalty.

Investment minimums

Initial Investment	\$2000 or \$500 with a regular savings plan	With low investment minimums, IOOF WealthBuilder enables investors to set up different bonds to suit their investment strategies. It's also an advantage as investors don't have to wait until they have a huge lump sum to start saving for that great family holiday, special occasion or for their kids. IOOF WealthBuilder also offers regular investment and withdrawal plans as well as a regular savings automatic increase facility which increases the regular savings investment amount in line with the maximum investment you can make under the 125 per cent rule. This allows investors to maximise the investment savings and the tax benefits within IOOF WealthBuilder.
Additional contributions	\$500	
Regular savings plan	\$100 per month	
Withdrawals	\$500	
Regular withdrawals	\$200 per month, quarter, half year or year	

For further information about IOOF WealthBuilder, please contact your financial adviser, call client services on 1800 002 217 or visit www.ioof.com.au/wealthbuilder to obtain a copy of the product disclosure statement.

- 1 Ten year period is defined as the end of the tenth year from the start date for tax purposes. This may be different to the initial investment date.
- 2 Please note that certain tax considerations apply to investments that are redeemed before the ten year tax period. For more information refer to the PDS.
- 3 Whilst not an estate asset, some jurisdictions consider a wide range of financial resources when an estate is challenged. Laws vary from state-to-state.

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